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focus:

high cost

Refugees



UNHCR

United Nations
High Commissioner
for Refugees



C N T E N T S



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Cover: Rwandan refugees in Kibumba, July 1995.
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● MINDING YOUR MONEY

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● A RESOUNDING HUMANITARIAN VOICE

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Sometimes, all of UNHCR's experience, preparedness and strong donor support are not enough to save lives and protect refugees. The huge influx of Rwandan refugees into Zaire in 1994, when UNHCR had to turn directly to military and civil defense arms for massive, in-kind help, was a case in point 24

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The UNHCR airlift has flown more than 158,000 metric tons of aid to Sarajevo, but it's only part of a much bigger program.

Minding your money

The current financial crisis facing the United Nations has set alarm bells ringing in humanitarian agencies worldwide.

The message is simple but dead serious: Donor countries can no longer afford to be as generous as they once were, and humanitarian programs are going to be among the first to feel the pinch.

"Many heavily indebted donor countries are reduced to taking painful decisions to cut their spending," said Ernest Chipman, head of UNHCR's Fund-Raising Service. "Naturally, the cuts affect everybody and all sectors — defense, social spend-

ing and so on — but they hit humanitarian aid the hardest. These (humanitarian aid) cuts do not hurt voters. They do not eliminate any domestic jobs."

As a result, funding flows are slowly diminishing at a time when needs remain high.

In a post-Cold War era marked by ethnic and civil strife in many places around the world, the need for humanitarian programs aiding refugees, displaced people, war-affected populations and others is as great as ever.

And although UNHCR has not been directly affected by these cuts as yet, there are no guarantees that

voluntary contributions from donor governments will continue at the required levels.

But even if UNHCR itself has not been hit, the agency does not operate in a vacuum. Anything that affects humanitarian relief and development programs also — eventually — will affect it.

Last November in New York, High Commissioner for Refugees Sadako Ogata warned in an address to the U.N. Security Council that cut-backs in humanitarian aid would only aggravate the conditions that trigger large-scale population movements. "I am worried about the trend to cut official development assis- ▶

► tance," Ogata said. "There is a very clear link between poverty, inequitable distribution of resources, violence and rapid movement of people."

In the last five years, the number of persons of concern to UNHCR has jumped from 17 million to 27 million worldwide. Expenditures have increased accordingly, rising from \$544 million in 1990 to an estimated \$1.3 billion in 1995.

"We are at a maximum level," Chipman said of the 1995 figure. "It is difficult to imagine that donor countries will agree to increase contributions any further in the future."

The budget began its extraordinary growth with the Gulf War exodus of Kurds in 1991. Then came former Yugoslavia — with more than 3.5 million new beneficiaries — and UNHCR's budget topped the billion-dollar mark for the first time in 1992. It has remained above \$1 billion each year since then.

The United States is the largest contributor to UNHCR, followed closely by the European Commission — the only donor whose contributions have steadily increased over the past two years.

It is difficult to imagine that donor countries will agree to increase contributions any further in the future.

It is becoming increasingly difficult to find new funding sources. UNHCR's efforts to persuade Gulf Arab states, for example, to provide more for refugees have yet to produce many substantial results. One reason: Arab countries have traditionally preferred bilateral aid programs.

Another new area being explored is private sector fund-raising, where UNHCR is a relative newcomer and has so far played only a limited role.

"For the time being, we are getting by," says Chipman. "We've managed to meet our operating budgets until now. We have experienced

momentary crises in specific programs — temporary shortages in 1995 for Georgia and Azerbaijan, for example — but ultimately, by year's end, we've always managed to fund everything, or almost everything."

But UNHCR is going to have to redouble its efforts if it is to keep up this pace, Chipman said. "We have to work harder to get the same results, not only because donor countries are tempted to cut their humanitarian spending, but also because they are allocating their funds differently," he said.

Requests and appeals for international donor support are coming from all directions and for a variety of humanitarian needs ranging from natural disasters to health programs to major development projects in poor countries.

"The donor countries' humanitarian outlays have remained relatively stable over the past few years," said Chipman. "What has changed is the amount of resources earmarked for the different sectors. Today, the donor countries provide more funding for crisis situations than for development. This ratio has become more

favorable to the emergency situations to which UNHCR responds. But is this a good thing? Naturally, more funds — necessary funds — are being provided to save lives, but to the detriment of efforts to fight poverty."

As logic would have it, this means that the various humanitarian aid actors are competing harder to obtain the necessary funding to cover their operating needs.

"Competition today is much stiffer than before, not only because the level of resources has remained the same while the number of crises has grown, but also because there are many more actors on the humani-

tarian scene today than before," explained Filippo Grandi, from UNHCR's Fund-Raising Service.

Stable contributions from donor countries account for one-third of UNHCR's budget. The remaining two-thirds come from discretionary budgetary sources. "Here, in the discretionary area, we are competing head on," Chipman said. "Today, there are a lot of people knocking on the same doors."

With a budget of \$1.5 billion, the World Food Program (WFP) distributed 3 million tons of food to 57 million people in 1994, saving countless lives. Francesco Strippoli, chief of WFP's Resources Mobilization Service for Europe, Africa and the Middle East, said, "we have to hunt funds a lot more aggressively. For us, fewer resources can often be a question of life or death; our programs target people who suffer from hunger or thirst."

Competition for the available funding is more intense among NGOs than among U.N. agencies, "since our operations are complementary for the most part," Chipman said.

Some donor countries are tempted to give funding priority to their own national NGOs. Money spent in this way creates jobs and can boost domestic political support. Humanitarian funds thus have an impact on domestic politics.

"This is a new trend which some observers call 'humanitarian nationalism,'" said Grandi. "Governments get more political mileage out of funding local NGOs than they do for contributions to multilateral organizations where everything is lumped together. Funding a national NGO's program thus has the benefit of protecting jobs and possibly generating votes — something UNHCR cannot offer."

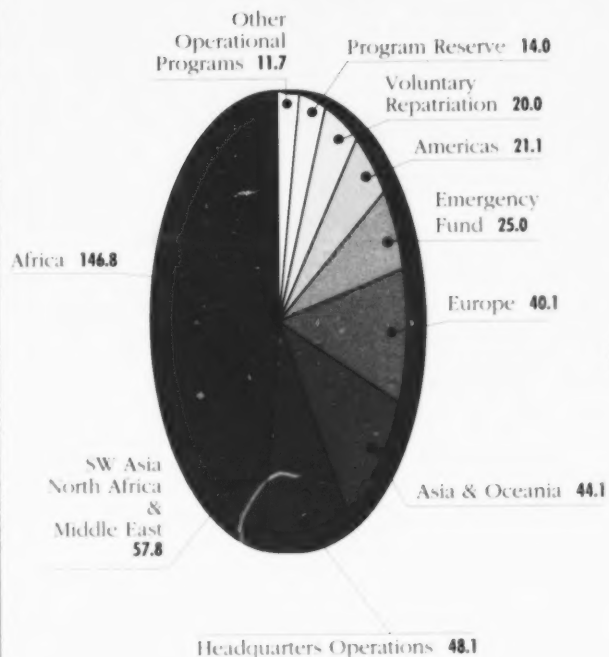
This trend is commonplace in the United States; is now being seen in Japan; and is particularly pronounced in Europe, where unemployment is a big problem.

At first glance, the donor countries' reasoning seems logical: why not fund NGOs directly rather than

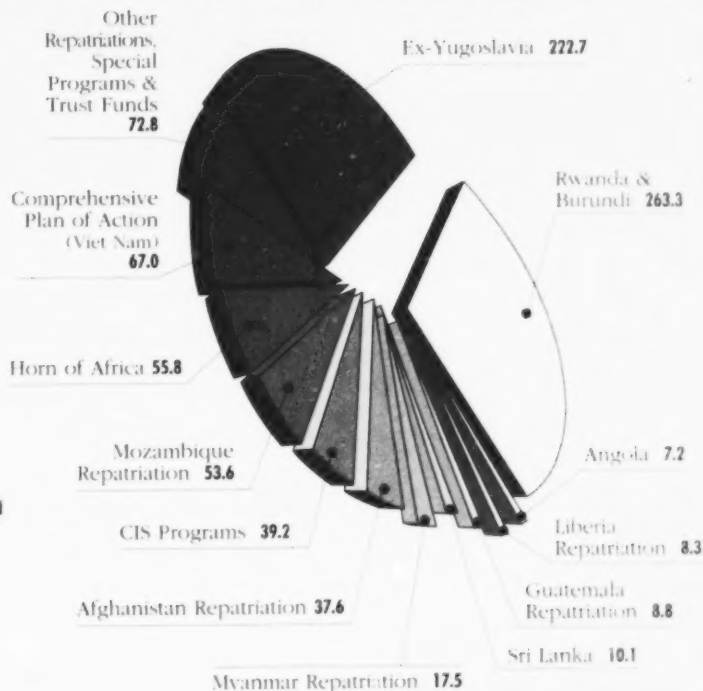
UNHCR FINANCIAL NEEDS IN 1995

(in millions of US \$)

UNHCR General Programs



UNHCR Special Programs and Emergencies



Total General Program target for 1995: \$ 428.7

Total Special Program target for 1995: \$ 863.9

TOTAL GENERAL & SPECIAL PROGRAMS FOR 1995: \$ 1,292.6

going through an intermediary, like UNHCR, which eventually calls on NGOs to do most of the actual implementation of programs anyway?

"The 'plus' we offer is our coordinating work and our protection mandate," said Grandi, who speaks from experience. He was one of the first UNHCR staff to arrive in Goma, Zaire, in 1994 when more than 1 million Rwandans flooded across the border in the worst refugee crisis the agency has ever faced in Africa.

"There were lots of humanitarian organizations, of all different kinds, in Goma: good ones, mediocre ones, bad ones, but all full of good will," Grandi said. "UNHCR's coordinating role was vital in trying to contain a major disaster, in this case a cholera epidemic which claimed thousands of lives in the days immediately following the influx."

"Only an experienced coordinator can avoid duplication of efforts and ensure that the needs of all are met. When this is not the case, or-

ganizations which work independently are capable of doing a great deal of damage — and sometimes do so."

"Humanitarian nationalism" also poses a threat to multilateralism. "Humanitarian aid must remain neutral and independent," said Grandi. "Multilateral organizations can do a better job of guaranteeing these principles than an NGO funded by a single donor."

Many non-governmental organizations, as a matter of policy, make sure that they do not rely too heavily on contributions from governments so that they can safeguard their independence.

All humanitarian organizations agree on one point: some operations are a lot harder to fund than others because donor countries respond more readily to high-profile programs.

"It isn't hard to find funding for a crisis if CNN is covering it," explains Charles Lameunière, senior adviser in the World Health Organi-

► zation's Division for Emergency and Humanitarian Affairs. "When it comes to lining up funding for a long-term solution, it's a lot harder. But it is just about impossible to find money for prevention activities. Once the crisis has been settled on paper, the funds diminish considerably. WHO is a technical agency, very different from UNHCR or ICRC which work in emergency situations. Asking for money to re-establish a health-care network in a country is not nearly as exciting."

However, even in organizations which do emergency work, such as UNHCR or WFP, some operations get more donor attention than others.

"Eight hundred million people throughout the world suffer from hunger," says WFP's Strippoli. "They need to be given sufficient water and food every day. This is vital. Yet the former Yugoslavia and Rwanda are eating up our funds. Precious little is left for what we call the silent emergencies."

It is much the same story at UN-

HCR, where it is sometimes difficult to generate donor interest in "forgotten causes" like Liberia, Sierra Leone, Ethiopia, Somalia and Afghanistan.

On the other hand, some programs are more politically appealing than others, and can actually be over-funded. When this occurs, the excess funds are carried over for use during the following year. Over the past four years, for example, donor countries have been extremely generous in supporting UNHCR as the lead humanitarian agency in former Yugoslavia. Continuous media attention and the lack of any political solution for months on end combined to ensure that donor governments at least paid attention to the humanitarian needs of some 3.7 million beneficiaries of UNHCR programs.

Other programs are much more difficult to "sell" to donors, particularly those that are out of the media spotlight.

"In three years, we returned more than 1.6 million Mozambican refugees to a country which, after 16 years of devastating civil war, is now fighting to consolidate peace," said Grandi, who recently tried in vain to convince a donor country to transfer the few thousand dollars it had earmarked for the former Yugoslavia to the Mozambican program.

"We only lack a few million dollars to complete our Mozambican program, to bring the last refugees home, and we can't manage to come up with the money," he continued. "Yet it is a positive program — one which holds out a hope of peace."

Assistance programs for Afghan refugees have also suffered from a lack of donor interest in recent years.

"It has not always been like this — just since Afghanistan came off the front page and the Soviets pulled out," noted Grandi.

Despite the many obstacles, Chipman was confident that UNHCR would get enough funding for most of its operations.

"Ultimately, we should be able to fund all our projects," he said in early December. "The exceptions may be programs in the Horn of Africa, our most difficult funding challenge."

1994 Major Donors to UNHCR (in millions of US \$)



TOTAL 1994 Contributions: \$ 1,069,000

With the withdrawal of U.S. troops, Somalia faded from the world's consciousness. "Unfortunately, donor countries see this region as a bottomless pit, a problem without a solution," Grandi said. "Admittedly, famine and insecurity still reign throughout the area. But ever since the superpowers stopped fighting proxy wars there, the Horn of Africa has been suffering from poverty rather than political problems."

UNHCR's difficulties in finding support for its operations in the five countries located in the Horn of Africa are tied not only to the perception of donor countries but also to reality in the field. Some critics believe the continuing presence of agencies like UNHCR has dragged on for too long, creating an aid-dependent society whose leaders have a vested interest in keeping the status quo.

Field operations must be particularly effective because for an organization like UNHCR, funding is directly linked to credibility, Chipman said. "Donor countries don't just give us money and shut their eyes," he said. "The more money we ask for, the more demanding they become. The media are there to help them differentiate between our 'good' and 'bad' operations. It's up to us to see to it that the funds allocated are used in the right place and in the right way, because governments are accountable to their taxpayers for the way in which funds are utilized. In short, we have to show that we are doing good work in the field, that we are not throwing money out the window and that the organization is run by a High Commissioner who is extremely tough when it comes to the efficiency of our operations, among other things."

But traditional emergency relief followed — preferably — by repatriation are not enough. Returnees have to be given the means to reintegrate and rebuild their shattered lives. While UNHCR is having problems finding support for its long-term rehabilitation programs, the situation is even worse for the development agencies.



An Ethiopian child, recently returned from Somalia, in Kebri Bayeh Camp, Jijiga region.

Jean Fabre, deputy director of the European desk of the United Nations Development Program (UNDP), said an increasing share of aid money is going to emergencies, and necessary long-term development suffers as a result.

"This is reflected by the sharpest drop in contributions since the organization was founded in 1965," Fabre said. "Our resources fell 10 percent between 1981 and 1992, and we experienced a further 10 percent drop in one year's time — between 1992 and 1993. We have been obliged to cut our programs throughout the world by 30 percent."

"These cuts all represent lost opportunities," he continued. "In practical terms, this means, for example, that 4 million people living in 16 urban areas in Morocco will have to do without a drinking water project. In Djibouti, an anti-poverty program was scrapped that would have benefited 135,000 people, including

65,000 women and 28,000 children living in an unstable area where demobilization and reintegration must be carried out. In Zaire, a \$1.6 million AIDS program was axed, while in Tanzania, a \$14 million income-generating program had to be dropped."

And things may get worse before they get better, Fabre said.

"In 1975, everyone was saying that governments should set aside 0.7 percent of GNP for official development assistance," he said. "Today, we have fallen below 0.3 percent, whereas the threshold for not only achieving solidarity among nations, but also managing our planet better, is 1.5 percent."

Money may fuel war, but it also fuels peace. "Governments are being short-sighted when they refuse to think about the long term, when they give so little priority to programs capable of preventing new tragedies," Grandi said. "Unless we give the people we bring back to war-torn countries the means to restart their economic systems, we are heading straight for new crises."

Money invested in conflict prevention is money well spent. From a purely pragmatic standpoint, it is much less costly to prevent the outbreak of a crisis than, for example, calling on peace-keeping forces to arbitrate a conflict or rebuilding from scratch a country devastated by war. And the savings in human lives and suffering are incalculable.

In an October speech in Tokyo, Ogata suggested the establishment of a "third window" of funding in which humanitarian and development funds would be pooled. Until now, emergency programs and development programs have been viewed as two separate entities. But this two-track approach does not facilitate rapid reconstruction.

Ogata said a comprehensive, coordinated approach is required for both emergencies and development.

"We must mobilize all possible resources — human, financial and management — to meet the challenges of the 21st century."

CHRISTIANE BERTHAUME

HOW UNHCR IS FUNDED

UNHCR is almost entirely funded by direct, voluntary contributions from governments, non-governmental organizations and individuals. There is also a very limited subsidy from the regular budget of the United Nations, which is used exclusively for administrative costs.

UNHCR's budget topped \$1 billion for the first time in 1992. It has exceeded that mark every year since, primarily because of major refugee emergencies in former Yugoslavia, the Great Lakes region of Africa and elsewhere.

The 1995 budget was \$1.3 billion.

Total contributions to UNHCR in 1994 were \$1.069 billion, including \$36 million in in-kind donations. In-kind contributions can range from wheat flour and cooking oil to the provision of airlift planes to children's shoes.

Since 1977, UNHCR's budget has been divided into two parts:

- General Programs, which are basic, ongoing refugee protection and assistance activities that are planned and approved in advance. General Programs are statutory activities and are divided, for the most part, by country and continent. In 1995, the General Programs budget target was \$428.7 million. As of 5 December, a total of \$385.2 million was available for expenditure. Funding for general programs often is announced by governments at annual pledging conferences.

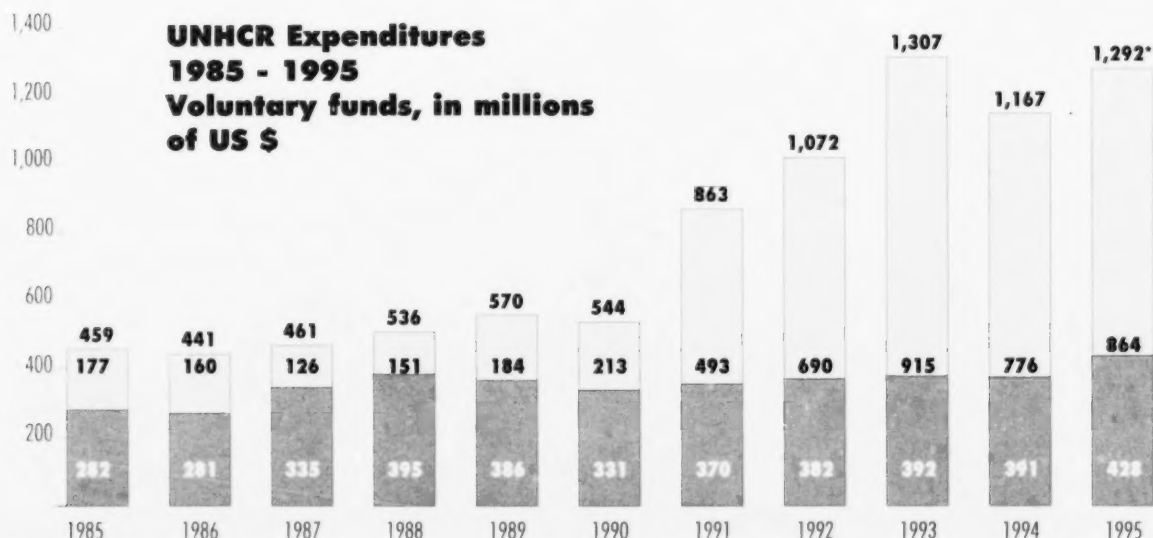
- Special Programs are made up of refugee emergencies, voluntary repatriations and programs for non-refugees. The Special Programs funding target for 1995 was \$863.9 million. As of 20 November, \$501.6 million had been contributed. Funds for each Special Program are usually sought through the issuance of appeals, which can be launched, revised and updated as required. Each special program has its own distinct trust fund. In former Yugoslavia and other large programs, appeals for funds are often

coordinated with other U.N. agencies active in the region and have been issued to cover periods ranging in duration from a few months to a year.

Over the past five years, donors have kept pace with UNHCR's increased requirements. About 95 percent of the agency's funding comes from just 15 governments, prompting UNHCR in recent years to seek expansion of its donor base.

UNHCR has more than 5,300 staff, about 80 percent of them in the field. Each year, its more than 250 offices in 118 countries channel at least \$300 million through non-governmental organizations (NGOs) for the implementation of humanitarian programs benefiting refugees and others of concern throughout the world. In all, UNHCR works with some 500 NGOs worldwide.

Special Programs
General Programs



* estimated

UNHCR Funding Overview 1995

(figures in millions of US \$)

General Programs

Target: \$428.7

Contributions at 05.12.95	329.0
Carry-over 1994 1995 (estimated)	56.2
Total available (96% of target)	385.2
Shortfall	43.5

Major Special Programs and Emergencies

Program	Required	Contributed*	Shortfall
● AFRICA			
Angola	7.2	6.6	0.6
Burundi/Rwanda Emergency	263.3	223.9	39.4
Horn of Africa	55.8	24.3	31.5
...of which Eritrea Repatriation	15.5	10.3	5.2
Mozambique Repatriation	53.6	48.4	5.2
● ASIA			
Comprehensive Plan of Action	67.0	39.8	27.2
Myanmar Repatriation	17.5	18.1	-0.6
Sri Lanka Repatriation	8.8	8.0	0.8
● SOUTH WEST & CENTRAL ASIA			
Afghanistan Repatriation	37.6	35.4	2.2
Tajikistan	12.2	10.0	2.2
● LATIN AMERICA			
Guatemala Repatriation	10.1	8.1	2.0
● EUROPE			
Azerbaijan	8.3	8.1	0.2
Chechnya	10.1	7.8	2.3
Georgia	8.6	7.6	1.0
ex-Yugoslavia	222.7	217.7	5.0

* Column includes contributions and other income.

Donor

GOVERNMENTS
AND THE EUROPEAN COMMISSION

Amount US \$

1 United States of America	226,293,681
2 European Commission	149,442,540
3 Japan	96,470,549
4 Netherlands	73,810,651
5 Sweden	66,244,370
6 United Kingdom	49,649,571
7 Denmark	38,652,032
8 Norway	31,457,256
9 Switzerland	18,700,505
10 Germany	17,042,480
11 Canada	15,350,493
12 Italy	12,452,393
13 France	12,214,187
14 Australia	11,248,257
15 Finland	10,446,848
16 Spain	5,664,886
17 Belgium	3,891,666
18 African Development Bank (AGO)	3,151,321
19 Ireland	2,817,241
20 Luxembourg	1,006,919
21 Austria	1,005,646
22 Republic of Korea	500,000

Sub-Total **847,519,492**

Contributions to UNHCR 1995

situation as at 08.12.95

REMAINING GOVERNMENTS AND INTER-GOVERNMENTAL ORGANIZATIONS (80)	2,649,703
UNITED NATIONS SYSTEM	672,964
NON-GOVERNMENTAL ORGANIZATIONS AND OTHER DONORS	11,821,845

Grand Total **862,664,004**



Displaced people from Chechnya in the Daghestan town of Khasavyurt.

Funding an emergency Calling all donors

Bob White clearly remembers the first time he raised with Russian officials the possibility of providing international aid to victims of the bloody conflict in Chechnya.

White, UNHCR's Moscow-based senior program officer at the time, was at a December 1994 briefing given by the head of the Russian Federal Migration Service, Tatiana Regent. Russian troops had crossed the border into Chechnya a few days earlier, on 11 December, and intense fighting had claimed many lives and driven more than 100,000 people into the neighboring republics of Daghestan, Ingushetia and North Ossetia. Russia's own humanitarian agencies were having a tough time coping.

"Mrs. Regent told us how bad the situation was in Chechnya and the

surrounding republics," White recalled. "Eventually, I asked if she thought there would be a need for international assistance, but she was non-committal. Then, a week or so later, on December 27, we suddenly received a government request from her agency for help. It was something of a surprise, but we immediately faxed the request to headquarters in Geneva."

So began the first ever United Nations humanitarian operation on Russian soil. Within days, UNHCR staff were on the ground and chartered airlift flights were delivering tons of aid to the region. From its somewhat shaky start in early January to its expected successful conclusion in 1996, the \$10 million Chechnya Emergency Operation provides a good example of how UNHCR

scrambles to assemble the funding, resources and staff necessary to begin saving lives and assisting and protecting the victims of conflict. It also illustrates how UNHCR is prepared to phase out a program as soon as the task is completed.

Upon receipt in Geneva headquarters, UNHCR immediately forwarded the 27 December Russian aid request to the U.N. Secretary-General's office in New York. The tens of thousands of Chechens flooding into neighboring republics were internally displaced, and not technically refugees because they had not crossed any international borders, but remained inside the territory of the Russian Federation. As such, they did not fall under UNHCR's traditional refugee mandate, and requests for the office's involvement were re-

quired from both the Moscow government and the Secretary-General. At the same time, high-level policy meetings were held in UNHCR Geneva to discuss whether the agency should get involved and, if so, to what extent.

Two days later, on 29 December, the Secretary-General formally requested UNHCR to respond to the Russian invitation by immediately fielding a mission to the region to assess the needs. It was also decided that direct deliveries — possibly by airlift — of humanitarian aid would begin as soon as possible.

The basic requirements met, UNHCR now had to find the money to begin a program that as yet was not even on the drawing board, and for which absolutely no funding had been sought from donors. On 30 December, staff in UNHCR's Geneva-based Regional Bureau for Europe submitted a request to Deputy High Commissioner Gerald Walzer for \$500,000 from UNHCR's \$25 million emergency fund. The fund, set up to ensure a rapid response in emergency situations, provides up to \$8 million per program to bridge the gap between the actual start-up of an operation and the arrival of funding from donors. Authorization for the first \$500,000 from the emergency fund was granted by Walzer the same day. Over the next several weeks, a total of \$2.9 million would be drawn from the fund as UNHCR anxiously awaited the first donor contributions.

Emergency funds in hand, UNHCR staff began work in earnest. "First we got some costings on airlift flights and asked the Supply and Transport Section for a quick assessment of what UNHCR had available in our regional emergency stockpiles in the Netherlands and Turkey," recalled Didier Laye, the Geneva-based head of desk for the operation. "We planned to place some of those goods — standard relief items like soap, plastic sheeting, kitchen sets, medical supplies and blankets — on the first flights along with the equipment we needed to set up our office. At the same time, some of us

prepared to fly to Moscow to help prepare the first assessment mission."

Supply and Transport Section staff made arrangements for an Ilyushin-76 cargo plane to be on standby in the Netherlands, advising the charter company to be ready to fly within 48 hours notice once the UNHCR assessment mission was on the ground. The first two charter flights, costing between \$60,000 and \$80,000 each, and the 69 metric tons of relief items they carried from UNHCR

it was frustrating because we wanted to do a needs assessment in a hurry so we could provide the aid and let donors know what was required," recalled Hasim Utkan, deputy director of UNHCR's Regional Bureau for Europe. "But you have to realize that this was really *terra incognita* for UNHCR, and that the Russians didn't know very much about us either. It took some time to lay the groundwork."

Finally, on 11 January, the 10-

A total of \$2.9 million was drawn from the emergency fund as UNHCR anxiously awaited the first donor contributions.

stockpiles in the Netherlands and Turkey would end up absorbing most of the initial \$500,000 taken from the emergency fund.

To ensure that life-saving aid could reach the region as soon as possible, UNHCR's office of the controller granted some early exemptions that allowed the procurement of specific items without awaiting the standard contracts committee procedure. Generally, any purchase exceeding \$70,000 must be approved by the contracts committee, either in Geneva or — if one has been set up — in the region involved. But the flexibility to grant certain exemptions is necessary in life-threatening emergencies, when every minute counts.

In UNHCR's regional office in Moscow, meanwhile, staff were facing frustrating delays in trying to arrange visa applications and travel permission for members of the assessment team from Geneva, Moscow and the Department of Humanitarian Affairs in New York. By 8 January, members of the team had assembled in Moscow but were still unable to fly to the region because of various bureaucratic delays and mixed signals from Russian authorities.

"There were some delays in the beginning on the Moscow end and

member UNHCR DHA assessment mission arrived in Vladikavkaz, North Ossetia. Despite some initial travel restrictions, which were later lifted by Russian authorities, the mission immediately began the task of determining the most urgent needs of the estimated 182,000 displaced persons in Ingushetia (130,000), North Ossetia (10,000) and Dagestan (42,000). If approved by headquarters, their conclusions would form the basis of a "flash appeal" for funds which would be launched on 1 February.

On January 15, four days after the arrival of the assessment mission, the first of more than a dozen UNHCR airlift flights touched down at Beslan Airport in Vladikavkaz with 39 metric tons of blankets, plastic sheeting, soap, medical kits, two generators and a UNHCR vehicle. Two days later, another 30 metric tons of supplies were flown in from UNHCR stockpiles in Turkey. On 19 January, UNHCR and its Russian partner, EMERCOM, ran their first aid convoy to displaced people living in terrible conditions in ill-equipped railway cars and a sports hall in Ingushetia.

Back in Geneva, meanwhile, a policy debate was under way on the ►

► nature, scope and time frame of UNHCR's involvement in the Chechnya operation.

"From the very beginning, we viewed this program as a stop-gap measure that would try to help strengthen the capacity of the Russian aid agencies," Utkan recalled. "We did not want it to be a case of the U.N. coming in and taking over everything."

Even so, there was some doubt and disagreement over the impending program. "There was some hesitation within the house," Utkan acknowledged. "There were many questions, which led to a certain degree of hesitancy. Will this program get the necessary support and financing from the international community? How much will it cost? Will UNHCR have to go it alone, or will other U.N. agencies join us? There were worries about possible open-ended involvement. Were we getting ourselves into another Yugoslavia-type situation? Would we work inside Chechnya itself, or only with displaced in the surrounding republics? It took us a long time to allay all these fears and sort things out."

But because of these concerns, it was decided that the initial appeal for funding would cover only three months' duration — through April. In retrospect, many of those involved in the operation believe this short time frame was overly cautious. "In hindsight, three months didn't make a lot of sense," Utkan said. "Setting up a program of at least six months from the start would have made much more sense in terms of donor response and overcoming all of the obstacles we would face working in an almost totally unknown area."

Back in Ingushetia, the assessment mission, led by UNHCR's Moscow-based Regional Representative Juan Amunategui, was busy compiling the list of requirements that would provide the basis for the 1 February "flash appeal." On 23 January, the team's initial recommendations were sent to headquarters, including a draft operations plan, project description and budget. On

26 January, headquarters confirmed that an appeal would be launched and that a UNHCR emergency response team would soon be sent to the region to begin implementing the new program. The team would be accompanied by specialists from UNHCR's Program and Technical Support Section who would further elaborate on the initial assessment findings.

Drawing up a budget for such a complicated operation requires experience and a fair degree of guesswork because of the many uncertainties. At the time, for example, there was no way of knowing how long the conflict would go on, how many people it would affect, where any new displaced people would go, which agencies would take part in the program and whether any supplies could be locally procured. White said the team's first assessment report proposed a budget of approximately \$14 million for the UNHCR program, which covered traditional aid sectors such as food, transport and logistics, domestic items, health and nutrition, community services, legal assistance and protection, agency operational support and program delivery costs.

Upon receiving the assessment team's report in Geneva, Senior Desk Officer Laye discussed the \$14 million proposed budget with John Horekens, director of the Regional Bureau for Europe. Horekens, all too aware of the difficulties in raising funds for the scores of UNHCR programs for more than 27 million refugees, displaced and others of concern worldwide, asked Laye to pare \$2 million from the budget and then discuss it with UNHCR's Fund-Raising Service. Fund-raising staff, who deal on a daily basis with donors and are best able to estimate how much governments may be willing — and unwilling — to pay, told Laye that \$12 million was too much. Fund-raising staff suggested an appeal figure of \$7 million. Laye countered that \$10 million was the bare-bones minimum required for humanitarian needs. Fund-raising agreed, and UNHCR's portion of the



upcoming flash appeal would seek \$9,995,000.

"New appeals have to be realistic," said Tony Land, the fund-raising officer currently responsible for the Caucasus region. "And it has to be seen in the context of UNHCR's overall annual budget of \$1.3 billion and the difficulties in making sure that all the programs covered under that budget are financed."

Land said the big question in starting any program is knowing what level of funding to seek. "You have to be able to determine and define the basic emergency needs," he said. "If it's not an extended care and maintenance program, donors must have the confidence that we are asking for the minimum humanitarian requirements."



Land and his fund-raising colleague, Anne Landouzy, also noted that it can cut two ways if the budget figure used in an appeal is not right on the mark. Too low and people suffer because basic needs are not met. Too high and a fully funded program may provide refugees with a better standard of living than the surrounding local community, a problem that is especially relevant in the Third World. And an over-ambitious appeal can result in big shortfalls and an erosion in donor confidence.

In the case of the Chechnya operation, UNHCR's estimated requirements of approximately \$10 million turned out to be right on the money, even though the amounts earmarked for various sectors in the first

appeal later shifted as other U.N. agencies joined the operation and revised appeals were issued.

By the time the DHA-coordinated flash appeal was issued on 1 February, UNHCR and DHA had been joined by three other agencies — UNICEF, the World Food Program (WFP) and the World Health Organization (WHO). The five agencies appealed for a total of \$23.6 million, nearly half of it for UNHCR programs. In the meantime, the number of displaced Chechens in Ingushetia, North Ossetia and Daghestan had risen to nearly 200,000.

Unfortunately, the flash appeal did not receive an immediate response from donors. Despite regular information meetings for representatives of donor governments in ►

The level of destruction in Grozny was staggering, and drove tens of thousands of city residents into neighboring republics.

► both Geneva and Moscow, there was a gap of several weeks before the first substantial funds began flowing. The slowness in the initial response was attributed to a variety of factors, including donor confusion over the three-month duration of the operation.

UNHCR Moscow Representative Amunategui returned to the Russian capital in mid-January and immediately called a meeting to brief diplomatic missions, NGOs and other interested parties. Such meetings are essential in keeping donors informed on the progress of an operation. Eventually, information meetings for donor governments were held every Wednesday in Moscow, as well as on a regular basis in Geneva. Moscow-based donor representatives were also invited to inspect the operations first hand, an offer many of them accepted.

During the initial funding gap, UNHCR's 14-member emergency response team — which arrived in the region on 6 February — had to carefully husband what was left of the \$2.9 million total provided by the emergency fund. It was a difficult period for the emergency team members, who had separated into two groups — one based in Vladikavkaz and the other in Makhachkala, Daghestan.

"The first three months, we had to make do with what little resources we had, and that made forward planning very difficult," recalled Senior Emergency Officer Nicholas Coussidis, the team leader. "The three-month time frame for the operation caused a lot of confusion and indecision until it was extended to six months in March. Donor funds didn't really start flowing until mid-April, and by then we were almost penniless. But once the donor money came in, we very quickly got up to operational speed and things went very well."

During the funding dry spell, the team members devoted much time and energy to establishing good working relations with their new Russian partners, especially the Ministry for Emergencies (EMERCOM)

and the Federal Migration Service, and with the International Committee of the Red Cross and the other agencies operating in the region.

"If we had begun with a six-month program and had more money up front at the start, we could have become more operational much sooner," Coussidis said. "But there was really a lot of groundwork to be laid, and the first weeks focused on us getting to know the Russian partners and them getting to know us, and on coordinating with ICRC and others so there was no overlap. In the long run, it paid off."

In addition, a logistics network was set up and 10 airlift flights arrived in the region between 15 Jan-

"I helped facilitate the expenditure of \$2 million without ever seeing a single cent of it, nor even one relief item."

uary and 8 April, providing tons of relief goods for distribution by UNHCR and its Russian partners.

A lot of time was also spent investigating the possibility of procuring locally some of the aid supplies. When practical, UNHCR prefers to do as much local procurement as possible both to save money and to support the domestic economy. But very little was known about what was available in the North Caucasus region, let alone the quality and price. To help with the process, a procurement specialist from the Supply and Transport Section at headquarters flew to the region with the initial emergency response team to begin looking for suppliers. Eventually, UNHCR was able to purchase clothing, mattresses, towels, sheets,

soap and other items on the local market. But it wasn't easy.

"First of all, getting the money in there to buy anything was very difficult because you can't transfer funds to the local banks," recalled Coussidis. "We had to hand-carry all the cash. Then, they wanted rubles for payment, not dollars, and exchanging money was a big headache. It took a lot of time. Suppliers broke contracts. Expected deliveries weren't made on time and promises weren't kept. But eventually we identified some reliable suppliers and established a network."

A contracts committee was established in Moscow to clear all local purchases up to \$200,000. Anything above that had to be approved by Geneva.

Back in headquarters, UNHCR's senior program officer for the Russian Federation, Chit Mirtenbaum, and the desk officer for Chechnya, Pascale Moreau, were overseeing the mountain of paperwork and clearances required to get the program started and to keep it going.

"It was paper, paper and more paper at each step in the process," said Mirtenbaum, who has yet to set foot in the Chechnya region. "In the first two months, I helped facilitate the expenditure of \$2 million without ever seeing even a single cent of it, nor even one relief item. From my perspective, the whole Chechnya experience so far has been on paper and on CNN. But all of that paperwork actually results in something positive; it gets concrete results very quickly."

Mirtenbaum and Moreau, who noted that there was no increase in headquarters staff to support the Chechnya operation, were acutely aware of the initial funding gap and tried to keep the field teams aware of the constraints.

"We were counting peanuts — micro-managing — all the way through," Moreau said. "All the donor contributions came together in one big group in April. Before that, the team was afraid to spend money because we did not know how far it would go."

Field team leader Coussidis said he and his colleagues on the ground had to set very strict priorities at first because there wasn't enough funding for everything. "As the funds became available only a bit at a time until April, we had to sit down together and decide which of our sectors should get the available money," he said. "It can cause morale problems when your staff works so hard to plan and prepare, and then you can't implement it."

The first contributions for the UNHCR Chechnya operation came from France (\$87,500) and from a private Japanese donor (\$101) on 31 December 1994. Nothing was received in January 1995, and only two contributions arrived in February — \$350,000 from the United Kingdom and \$400,000 from Sweden. Things began picking up in the latter part of March, with 10 contributions totaling \$2,568,229. In April, another four contributions were received for a monthly total of \$3,109,712, including \$2.4 million from the United States. Thus, by the end of April, enough funds had been provided to support the operational work of the 21 UNHCR international staff and 35 national staff on the ground in the region.

The appeal process also continued to evolve, starting with the three-month flash appeal of January, to a six-month consolidated inter-agency appeal (January-June 1995) issued in March, to an updated appeal issued in July that extended the operation to the end of the year without seeking any additional funding. The final July appeal sought a total of \$22.5 million for the entire year for six agencies:

• UNHCR	\$ 10,385,000
• WFP	\$ 5,641,371
• UNICEF	\$ 4,579,094
• WHO	\$ 695,000
• IOM	\$ 1,000,000
• DHA	\$ 252,800

From a peak of some 200,000 early in the conflict, the number of displaced Chechens remaining in Daghestan, Ingushetia and North Ossetia had dropped to about 70,000 by early November. Under the July

appeal, much of UNHCR's activities focused on the provision of shelter, along with related water and sanitation facilities, for thousands of displaced people (\$2.5 million). The supply of domestic items, ranging from stoves and cooking sets to towels and soap, accounted for another \$2.75 million. Other sectors included coordination and program support (\$2.68 million), transport and logistics (\$2 million) and health (\$200,000).

The UNHCR portion of the appeal has been well-funded. As of 8 November, UNHCR had received \$7.8 million of the \$10 million required. Most of the UNHCR programs are in their final stages and were expected to be completed by

UNHCR pre-fabricated housing in Karabulak, Ingushetia, for displaced people from Chechnya.



year's end.

Deputy Europe bureau director Ukan says an early decision to avoid working inside Chechnya itself has made it easier for UNHCR to make a clean break.

"In the beginning, there was a lot of temptation for us to get involved inside Chechnya itself," Ukan recalled. "If we had gone in there, it probably would have had a positive effect on our initial funding response, but it also would have made it much more difficult for us to phase out now. We showed a little discipline, we didn't follow the TV cameras, and we were eventually able to convince donors that there was also a humanitarian need in the areas surrounding Chechnya."

Even though the operation itself was to draw to a close on 31 De-

cember, many uncertainties remain and UNHCR will be keeping a watchful eye on the region, possibly by maintaining a small presence in North Ossetia and Ingushetia. By late November, some 48,000 displaced people remained in Ingushetia and 26,000 in Daghestan, and reports of continuing insecurity were still coming out of Chechnya.

But many lives have been saved and much suffering alleviated. UNHCR believes that its Russian partners will be in a much better position to aid the remaining displaced people. A lot of managerial and technical expertise has been shared with the Russians, and solid working relationships established between them and the United Nations agencies.

RON REDMOND

Real purchasing power

UNHCR's purchasing officers are used to doing a lot of juggling on the job as they try to find the multitude of relief items required each year by millions of refugees worldwide. But the 1994 refugee crisis involving more than 1 million people in the Great Lakes region of Africa posed a real logistical challenge for the specialists in UNHCR's Supply and Transport Section.

"Everything started to come apart at the same time," recalled Senior Purchasing Officer Lucie Poirier, whose section buys everything from pots and pans to plastic sheeting for UNHCR's refugee programs worldwide. "We were just beginning to get things under control in Tanzania when Goma (Zaire) blew up and Bukavu (Zaire) was on the verge of doing so. In the morning, we planned for 50,000 arrivals, but we were obliged to revise our figures upwards virtually on an hourly basis. At one point, we had to supply five emergency programs simulta-

neously using available resources in the area. It was the largest refugee outflow we have ever seen in Africa. We took relief material from our emergency stockpiles and borrowed from our programs in neighboring areas in Djibouti, Kenya and Ethiopia. We diverted goods meant for elsewhere and sent them to the region. Once that was done, we had to rapidly replace the stocks to avoid hurting our other programs and replenish our emergency stocks."

An increase in refugee emergencies — from Bosnia to Burundi — has brought a corresponding increase in UNHCR's purchasing budget over the past five years. In 1991 alone, the purchasing budget shot up from \$38.9 million to \$191 million, mainly in response to the Gulf crisis.

It hasn't gone down since, nor has the number of refugees and others of concern to UNHCR, which today totals more than 27 million people. The purchasing budget has remained around the \$150 million mark for the past four years, with the conflict in the former Yugoslavia taking up a large share of the resources.

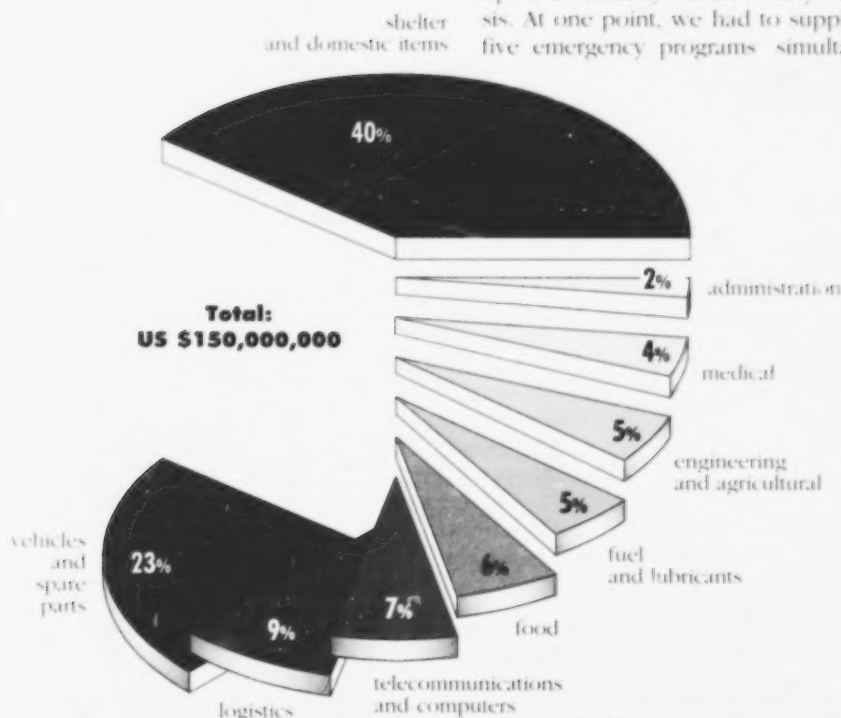
The Yugoslav crisis led the purchasing section into an entirely new sector — winter relief items. These included repair kits for houses, fuel oil and charcoal, and large quantities of sleeping bags, parkas and boots, all necessary to enable refugees to cope with the harsh Balkan winters.

In previous crises, the focus had been on equipment and goods suited to mild or tropical climates, where most of the refugee movements occurred. The usual items for these influxes included plastic sheets, blankets, tents, kitchen utensils and jerry cans.

"In recent years, the choice of articles has become more diversified in order to respond to the specific

UNHCR purchases by item group in 1994

(rounded to nearest full percentage point)



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characteristics of our different programs," said Poirier.

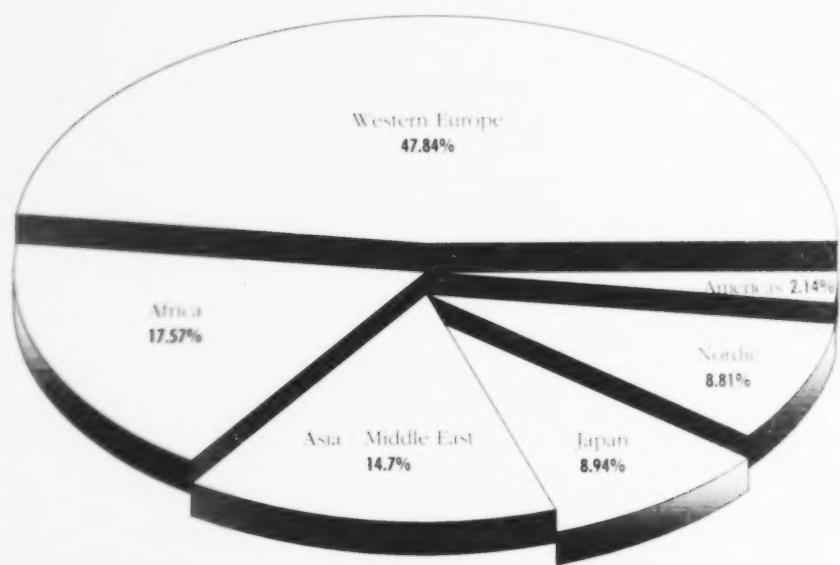
The purchasing service has identified the new items with the help of UNHCR's technical service, which developed appropriate specifications. For example, although a minimum wool content of 30 percent is enough for blankets meant for warm countries, blankets for use in cold climates must be at least 50 percent wool.

Finding the right supplies in an emergency can be a major challenge. "In 1993, we had to find nearly a million blankets overnight, which we delivered in a bit over two months by land — a real record," Poirier said.

To meet refugee needs, UNHCR is a big purchaser of tents, computers, domestic utensils, clothes, plastic sheets, blankets, farm tools, water pumps, water treatment units, vehicles, food, petrol, charcoal and mattresses.

A large share (40 percent) of the \$150 million dollars spent in 1994 went for the purchase of shelter materials and domestic goods. About 23 percent of the purchasing budget went for vehicles and spare parts; 6 percent for food; 4.5 percent for petrol and fuel oil; 3.5 percent for medicine and medical equipment; and 5 percent for farm machinery and tools.

Following is a detailed breakdown of 1994 purchasing expenditures. — Housing: UNHCR spent \$10.5 million on plastic sheeting, \$5.6 million on tents, \$3 million on construction materials and \$2.2 million on prefabricated buildings (primarily warehouses). — Medical supplies and products: A total of \$2.7 million went for medical equipment, \$1.2 million for drugs, vaccines and first-aid kits, \$697,000 for insecticides, \$42,000 for laboratory expenses and X-rays, and \$36,000 for dental and nutritional problems and for veterinary equipment. — Food: Most food for refugees is provided by the World Food Program, but some is purchased by UNHCR. In 1994, UNHCR placed a total of 16 orders for food, totaling \$8 million. The bulk



UNHCR purchases by region in 1994

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of the orders consisted of items such as: high-protein biscuits, orange juice with added vitamins, and green tea. — Domestic articles: In 1994, 164 orders totaling \$31.8 million were placed. Items included blankets (\$12.7 million), kitchen utensils (\$7.8 million), soap and detergent (\$3.7 million), and clothes and textiles (\$3.3 million).

In addition, UNHCR spent some \$11.4 million on logistics, broken down as follows: nearly \$9 million for chartered airlift flights; \$921,000 for air freight; \$795,000 for shipping; \$529,000 for transport by land; and \$349,000 for storage and warehousing.

Ordering is usually centralized in Geneva. However, for added flexibility, some offices in the field have been authorized to set up purchasing committees and local contract committees which approve bids and purchases. Regional purchasing offices have been opened near areas of major UNHCR operations, including in Zagreb, Johannesburg and Nairobi. Sometimes, UNHCR's NGO partners themselves purchase goods directly for their programs.

Every single purchase, international or local, is regulated by a complex, stringent and transparent pro-

cedure which combines competitive bidding by suppliers and a desire to obtain high-quality products and services rapidly or within a reasonable time.

One step consists of drawing up a list of suppliers. Invitations to tender are then sent out. Purchases of goods or services budgeted at \$20,000 or more are subject to formal international competitive bidding. Below this amount, purchasing staff are required to compare three written offers.

The bidding process is, however, time-consuming. In an effort to enhance efficiency and profitability, UNHCR intends to extend a pre-selected roster system, already used for the procurement of generators and refugee registration materials, to the purchase of blankets, kitchen utensils and plastic sheets. UNHCR plans to work out long-term arrangements with a limited number of suppliers for these products in 1996.

"We began by inviting interested suppliers to comply with our technical specifications, among other things by sending their material to laboratories pre-selected by UNHCR to obtain certificates of analysis certifying that the equipment met our standards," Poirier explained. ▶

► In each of the past three years, UNHCR required an average of 1.9 million blankets, 300,000 kitchen utensil kits and 750,000 plastic sheets.

"We will not promise to purchase such quantities from the suppliers who have been selected," says Poirier. "But we will contact them when the need arises."

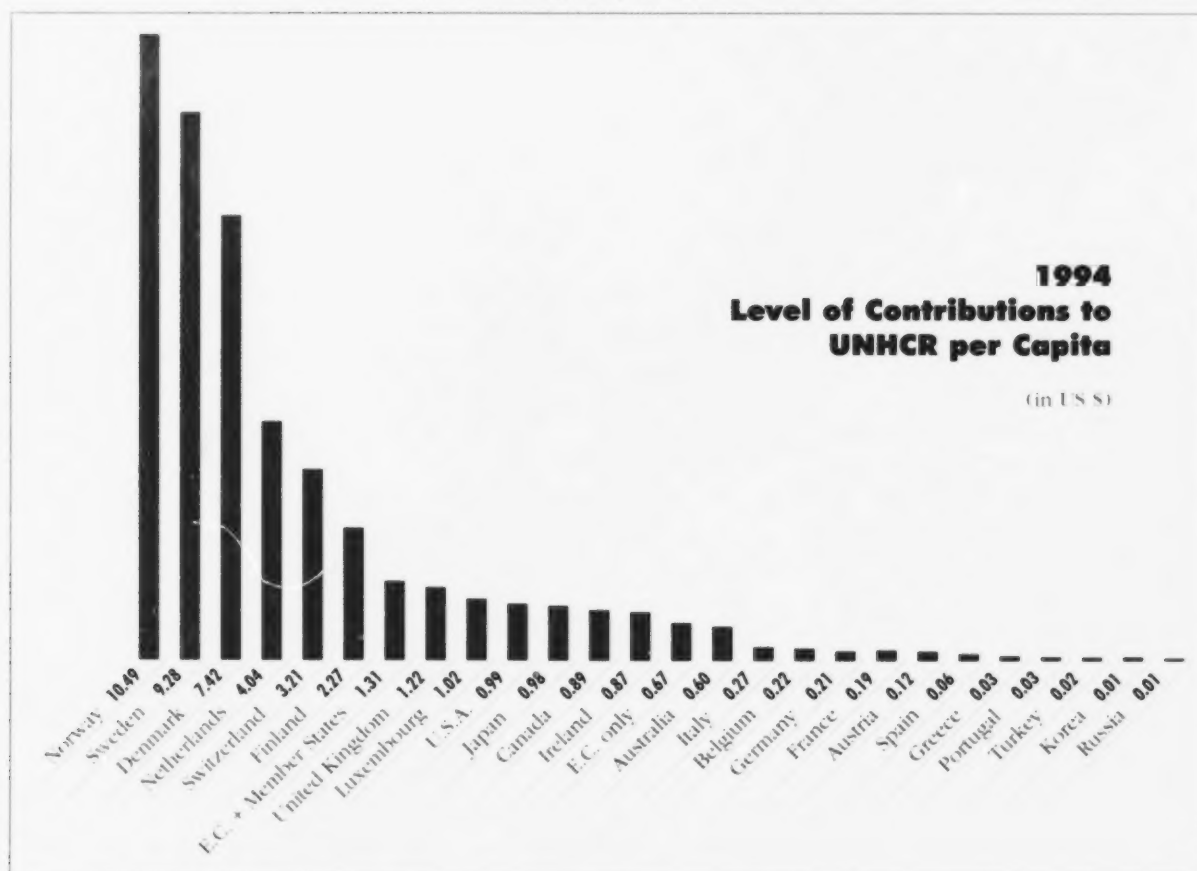
Before making a decision on where to buy, the purchasing section takes into consideration the seller's reputation and experience, geographical location, and the ease and rapidity with which the merchandise can reach its destination. In 1994, UNHCR purchased 47.8 percent of its supplies and services in Europe; 17.6 percent in Africa; 14.7 percent in Asia and the Middle East; 8.9 percent in Japan; 8.8 percent in the Nordic countries; and 2.1 percent in the Americas.

In many cases, locally made products are given priority. "In 1990,

when the Liberian crisis broke out, we had to quickly find cooking pots for the refugees who had just arrived in Guinea," Poirier recalled. "We contacted internationally known companies, but the prices they quoted were sky-high. Then, during a mission to the area, I realized that some refugees were already using locally manufactured cooking pots which were highly prized and which, above all, stood up to long hours of cooking. We bought the material on site."

Finally, the purchasing service is responsible for ensuring compliance with one last selection criterion — and a rather important one at that. Starting in August 1995, contracts have contained a clause stipulating that a company which sells its services or products to UNHCR must guarantee that it is not involved in the production and/or sale of land mines.

FRANCIS KPATINDÉ



UNHCR / PI / Catalogue / no 5 / 12/1995

Euro donors A resounding humanitarian voice

It started out a routine mission for UNHCR's Filippo Grandi, accompanying two officials from ECHO, the European Community Humanitarian Office, on a mission to Tanzania in July 1994. Then came news of a looming humanitarian disaster along the Rwanda-Zaire border. The initial reports received by Grandi — an experienced UNHCR emergency officer who had just transferred to the Fund-Raising Section — warned of a massive and catastrophic exodus of Rwandan refugees toward the Zairian town of Goma. In mid-mission, Grandi suddenly found himself re-deployed as the leader of UNHCR's emergency team in the agency's latest, and arguably largest, refugee crisis. He diverted the mission's small plane to Goma — and took the ECHO officials with him.

"We landed on July 15 in the middle of chaos at that awful airstrip in Goma," Grandi recalls. "It was really a scene of total confusion, impossible to describe." But, as hundreds of thousands of panicked Rwandans continued to pour over the border to the remote and difficult site, says Grandi, "The ECHO people were right there with us, really with us. These two officials literally helped set up beds and mattresses for the emergency team. We were together in the mud, and it really meant something to us all."

"In the Great Lakes, ECHO and UNHCR achieved a real partnership, something extremely meaningful, beyond the level of money," Grandi continued. "They saw this incredible urgency with their own eyes. They realized that an emergency is not something on paper that you can ▶

Boxes of European Community tinned beef at a warehouse in Tuzla, Bosnia-Herzegovina.



UNHCR / B. SUTHERLAND

► plan and detail and submit reports on. It is a catastrophe. People are dying, and you need to have five million dollars in your pocket to give to the right people to get to work. The control, the reports — all that is important, but it can follow later. In an emergency, you need disbursement, now. And, in that emergency, ECHO stretched the rules, and they gave."

In Laos, the pace of work may be different, but the underlying partnership is just as strong. There, entire new villages must be carved out of dense forest to house returnees from Thailand who prefer to move back in large groups, to keep their clannish social structure intact. It may not be emergency work, but it is back-breaking nonetheless. Returnees to UNHCR's 29 group settlements arrive in villages that are surveyed, cleared, laid out and equipped with basic infrastructure.

The returnees live on food rations and cash grants, in temporary housing, until they can build their own homes and till their own land. The process typically takes at least 18 months, though some returnees need assistance for longer. Many of the refugees — who include formerly nomadic highland peoples, such as the Hmong — return from decades of exile, and are unused to their new land and settled farming practices.

To help UNHCR undertake the painstaking work of establishing new group settlements in Laos and helping the returnees attain self-sufficiency, the European Union has provided strikingly generous funding — some 80 percent of 1995's \$3.2 million project budget. But, again, in Laos the E.U.'s contribution to UNHCR's work has stretched the basic rules, extending much further than simple funding. In Bokeo province, nestled against the borders of Thailand, China and Myanmar, the E.U. has actually set up two of its own settlement sites for hundreds of returnees, in a two-year project that will cost more than \$2.5 million.

In Bokeo, returnees like 28-year-old Bliat Lee, a mother of seven, who repatriated to the newly established village of Say Cha Leun (Nam Puk district) in 1994, have found new opportunities and new freedoms away from cramped refugee camps in Thailand. "In the beginning it was difficult, because we didn't have enough money to open a shop," says Bliat Lee, who, with her husband, initially invested savings from embroidery work done in Thailand into purchasing groceries in a neighboring village for resale in their new home. "But now we have a shop, and we get the goods on credit, and it should be better. It's good that we came back."

Bliat Lee and her fellow homesteaders in Say Cha Leun just harvested their first rice crop. All have left their temporary bamboo long-house for the individual, zinc-roofed houses that they built with their own hands. Their new concrete school — shared with neighboring villages — has been constructed. Soon to come are a market-place, several kilometers of badly needed road, and 250 hectares of irrigation. All will be fully funded and built by the European Union.

"We want to assist in closing down the refugee camps in South-East Asia, and finding solutions," notes Xavier Nutin, the E.U.'s delegate in Bangkok. "The hope is that with more assistance in Laos, there will be more voluntary return. And the need is there. After so many years of exile, there are entire new generations who have no awareness of what agriculture is about. But we try not to focus too exclusively on

returnees because that would never be accepted by the local people." Thus, to cap its very sizeable annual contribution to UNHCR's project budget in Laos, and the separate, substantial E.U. project underway in Bokeo, the European Union recently initiated a three-year, \$5.8 million program to fund projects to reinforce Laotian provinces' capacity to absorb returnees.

Without the funding and support of the European Union, it is unlikely that UNHCR would resemble the ubiquitous and effective agency that it is today. In 1994, the European Commission — the civil service of the European Union — gave UNHCR \$237 million, of a total \$1.07 billion in contributions received that year. That sum was somewhat smaller than the \$281 million donated by the United States. However, when added to the bilateral donations of Britain, the Netherlands, Denmark, Germany, Italy, France, Ireland, Spain, Belgium, Luxembourg, Greece and Portugal (in that order), Europe's donations to UNHCR came to \$452 million in 1994, or 42 percent of total donations received. In other words, the countries of the European Union — bilateral plus multilateral — make up UNHCR's biggest donor. (That sum is likely to grow, particularly since Sweden, Finland and Austria joined the E.U. in 1995).

Of all the money donated by Europe to UNHCR, the single largest sum comes from ECHO, Europe's humanitarian wing. Set up in 1992, following the Gulf crisis, ECHO is a new and immensely powerful actor on the global relief scene, centraliz-

The countries of the European Union make up UNHCR's biggest donor

on — bilateral plus multilateral —
It's biggest donor.

ing the emergency funding of the European Commission. The organization manages a regular annual budget of over \$1 billion, covering funding of emergency-related activities in crises involving refugees and internally displaced people, as well as those resulting from natural disasters. In addition, responsibility for Europe's food aid shifted this year to ECHO — now UNHCR's largest food donor. Europe covered 95 percent of the total \$1.1 million of food donated to UNHCR in 1994.

In the countries of former Yugoslavia, ECHO has been UNHCR's leading donor since the agency began leading the U.N. humanitarian operation there in 1992. In the Great Lakes, Grandi says, it is "impossible to exaggerate how instrumental ECHO's aid was" in 1994. The relationship between ECHO and UNHCR is a close and vital partnership. It is marked by mutual admiration, mutual respect and — sometimes — a little mutual irritation.

The European Union is not just one of UNHCR's biggest donors: it is also its most complex. ECHO funds part (but never all) of UNHCR projects. It prefers that Europe-funded projects be implemented with high levels of participation by European NGOs. And, unlike most of UNHCR's main donors, ECHO always precisely earmarks funds for a specific operation and time-frame — for a duration never initially exceeding six months — in a process that requires detailed forms and procedures, creating an often cumbersome and frustrating procurement process.

ECHO procedure is often difficult to dovetail with UNHCR prac-

tice, which tends to be more flexible and decentralized — so that sudden contingencies can be met with instant cash, rather than weeks of paperwork. "In an emergency," explains Grandi, "a UNHCR team could, for example, need \$1 million for household items, to be detailed later. It's unlikely to work as well with a process that calls for specific, highly documented grants of \$300,000 for so many blankets, of what description, at so much per."

Learning to trust UNHCR teams in such situations is inevitably a gradual process. "Europe is a tremendously valuable partner, though the difficulty that we sometimes have with them is all the reporting," comments Karen AbuZayd, formerly UNHCR's chief of mission for Bosnia-Herzegovina and now deputy director of the Division of Program and Operational Support. "There are lots of forms and lots of demands. My first job with UNHCR was in Khartoum, doing all the reporting for the European Community, and the earmarking was just unbelievably precise. Much later, when I was in Sierra Leone, I found myself with no electricity and everything broken down, trying to find the bills to justify why we were spending \$100, not \$90, on buckets."

Still, though Europe's pressure to maintain a punctilious reporting system may seem excessive, it does keep UNHCR's teams aware that they must remain very strictly accountable for every mark, franc and centime spent. That's a clear benefit, in the long term, for the agency, for the countries of operation, and for the refugees themselves. As Abu-

Zayd points out, it's hard to fault the European Union for trying to keep tabs on its money. "Their demands are not outrageous," she notes. "They're accountable to their taxpayers and member governments. And though the European Union might sometimes seem bureaucratic, our emergency section couldn't have functioned without the flexibility that ECHO has shown."

Though ECHO's contribution to UNHCR's work in emergencies and repatriations is enormous, particularly in Africa, the European Union's cooperation with UNHCR is wider still. ECHO usually covers immediate, life-sustaining needs, not longer-term rehabilitation activities. Two other sectors of the European Commission — DG-I, for external economic relations, and DG-VIII, for development funding in a group of African, Caribbean and Pacific countries — fund longer-term work. This typically involves rehabilitation and repatriation activities, self-sufficiency programs, micro-development projects for returnees, and care and maintenance. (The E.U.'s program for assistance to returnees in Laos is funded by DG-I).

Though the specific procedures often vary — almost as widely as the programs — from the Great Lakes to Indochina, the basic theme remains the same. In refugee camps or returnee settlements, UNHCR's partnership with the European Union has saved innumerable lives, and given shelter, education, assistance, and, above all, safety, to many more. In Zaire, ECHO's near-instant assistance helped shelter and care for more than 1 million refugees threatened by disease, hunger and abuse. In Laos, more than 26,000 former exiles have been able to go back to their country — in many cases, to their own land, poultry and crops; to basic schools and clinics; and even, in some areas, roads and irrigation systems. Worldwide, the beneficiaries of E.U. humanitarian aid number in tens of millions. None of this comes cheap. But neither do lives.

RUTH MARSHALL

The view from Washington

Imagine an organization funded at public expense, designed to solve a problem, given five years to do so and then go out of business. Now imagine that 44 years later that organization, instead of solving the problem, has experienced a hundredfold increase in its dimensions, has seen its budget requirements increase proportionately, and yet continued to enjoy the solid support and encouragement of the governments who provide its funding. UNHCR is that organization.

UNHCR was created in 1951 primarily to assume the task within the United Nations of looking after the remaining caseload of persons displaced during and immediately after World War II. Regrettably, those who envisioned that UNHCR could take care of the problem of refugees within its original five-year mandate could not foresee that instead of a period of international peace and understanding, the first 50 years of the United Nations would be marked by strife, bitter conflict and, instead of going away, the problem of displaced populations would unbelievably mushroom.

It is therefore a tribute to UNHCR that the international community continues to regard it as the pre-eminent humanitarian organization. In places like the former Yugoslavia, with its 3.5 million affected individuals, in Rwanda with its 2.2 million refugees and displaced, and in the former Soviet Union where there are 1.5 million persons of concern, the world's leaders understand that as horrifying as the harvest of man's

inhumanity to man has been, it would be much, much worse but for the dedicated, courageous and effective work of UNHCR's staff.

In these times of diminishing public and Congressional support for much of the U.N. system, it is significant that UNHCR is so highly regarded. Basically, this is simply due in part to the fact that — no matter how horrifying the spectacle of hundreds of thousands of gaunt, terrified people languishing in hellish camps — our revulsion is always tempered by the knowledge that UNHCR and its many partners are attempting to cope, to do something, to reach out and assist.

Beyond our gratitude that someone is doing something about the world's horrible human disasters, is our knowledge that it is being done well, or at least as well as one could hope. Unlike many other parts of the U.N. system, UNHCR has been identified by many of my colleagues as part of a solution, rather than a part of the problem. Given the conditions under which UNHCR often must operate, its efficiency — doing a great deal with limited resources — and its effectiveness are highly impressive.

Over the past 15 to 20 years, as the world's refugees have doubled and quadrupled in numbers, and the causes of refugee situations have grown more complex, UNHCR has managed to keep pace through the flexibility and creative ingenuity of its staff. In the 1970s, when I first came to know about UNHCR, it was primarily concerned with refugee protection issues, mainly from a le-

galistic perspective. Its operational role in refugee situations was virtually non-existent — other organizations, mostly private, and the International Committee of the Red Cross were involved in providing assistance and raising the funds necessary to address these situations.

Now, as the world faces such tragedies as Bosnia and Rwanda, UNHCR has become the lead agency in all aspects of refugee problems: prevention, assistance and searching for solutions. High Commissioner Sadako Ogata has skillfully and determinedly led her office into the 1990s and the new world disorder. In Bosnia, she has navigated the shoals of a complex humanitarian disaster fueled by strong ethnic hatreds. UNHCR staff are the frontline of the international community's efforts to not only assist the victims of the conflict, but to help try to put Bosnia back together again by working with all the ethnic groups to find ways that they can be reconciled.

The conflict in former Yugoslavia has challenged UNHCR to meld its operations with a sizeable U.N. peacekeeping force. The Security Council's mandate to use all necessary measures to ensure that humanitarian aid reached its intended targets, while not always pressed as fully as I and many others believe it should have been, marked a distinct departure for UNHCR in the manner in which it was to conduct its operations. UNHCR staff in Bosnia have become like special forces whose mission is to keep people alive in the midst of a deadly conflict.

Rwanda has also posed a unique challenge to UNHCR during the 90s. The beginning of the decade saw UNHCR focus upon the right of return for refugees from Rwanda's Tut-

Editor's Note: Benjamin A. Gilman, a New York Republican, is chairman of the U.S. House of Representatives' Committee on International Relations. REFUGEES asked Congressman Gilman to comment on congressional and public attitudes in the United States toward UNHCR, and what the agency must do to continue to receive support from its single largest donor.

si ethnic minority. As civil war between the Tutsis and the majority Hutus erupted, UNHCR anticipated the displacement of large numbers of Rwanda's population and tried to alert other parts of the U.N. system, the Security Council in particular, that a peacekeeping force might be needed to protect the Rwandans from each other. Regrettably, despite UNHCR's efforts, the international community responded with too little, too late to avert the calamity which occurred in 1994, when half a million or more Rwandans were slaughtered in an orgy of ethnic violence, and millions more fled to seek protection wherever it could be found.

The aftermath of the violence in 1994 left UNHCR facing the unusual situation of the government in Rwanda evacuating its own citizens as part of a deliberate strategy. This unusual political strategy left a million Rwandan citizens in squalid camps around Rwanda's borders. Many of these camps came under the control of Hutu government officials who were responsible for much of the violence that had ensued earlier. It is now UNHCR's difficult task to wrest control of the camps and of the Rwandan refugees from these thugs. UNHCR's perseverance in this task is impressive, and deserving of our support.

In dealing with the Rwandan emergency, UNHCR has been forced to walk a fine line between upholding the principle of non-refoulement in dealing with neighboring governments' attempts to rid themselves of Rwandan refugees in asylum, and upholding the right of return for those refugees who are willing to risk going back to their own country. The central problem faced by the agency is providing assistance to innocent victims of the violence that has wracked Rwanda while avoiding helping those guilty of atrocities to maintain political control in the camps. In the end, the best way to ensure this is to have the refugees return home in safety.

The implications of the situations in both Bosnia and Rwanda are

clearly that UNHCR will continue to have a major role to play in the post-Cold War world. Moreover, it is likely that the agency's mandate will continue to have to be adapted so that it continues to be able to meet complex humanitarian emergencies in a flexible manner.

What steps will High Commissioner Ogata and her staff have to take to make sure that the agency continues to be able to meet the challenges that lie ahead and to retain the support of its key donors like the U.S. government? In the Congress, we are concerned about justifying to the U.S. taxpayers the funds we authorize. In general, Americans respond generously to suffering persons wherever they may be. But we also want to make certain that situations which bring about this suffering are being addressed and resolved. Therefore, it is extremely important that UNHCR continues to make known its solution-seeking mandate and its many

returned to Viet Nam and Laos, and that local staff working with international UNHCR officials in these countries may be subject to some form of governmental control and pressure. To address these kinds of concerns, I suggest that UNHCR adopt the standards of an organization like the ICRC which insists upon full confidentiality of the interviewing process when investigating the treatment of individuals of concern.

The 1995 edition of UNHCR's "State of the World's Refugees" is informative, thoughtful and forward-looking. I believe that Mrs. Ogata's plea for the international community to head off potential humanitarian disasters by timely intervention and development assistance is worthy of consideration by all donor governments. However, I would urge UNHCR to continue to pursue its own mandate, which is not development, but assistance to refugees — and not to become involved in purely development-related

What steps will the High Commissioner and her staff have to take to ensure that UNHCR retains the support of key donors like the U.S. government?

successes in this regard. Recent successes in Mozambique, Cambodia, Central America and Southern Africa need to be publicized as refugee problems that have been solved.

Another concern of many of my colleagues and myself is that as programs to return refugees to their countries of origin are implemented, adequate safeguards are in place with regard to the treatment of these persons on their return to their homes. For instance, persons returned under the Comprehensive Plan of Action for Indochinese refugees in South-East Asia need to be monitored more carefully by fully independent international monitors. We are concerned that UNHCR may not have full and confidential follow-up interviews with individuals

projects in the name of refugee prevention. UNHCR can play an important role by continuing its excellent early warning and monitoring work in order to provide information to the international community that can alert it to work in advance of the development of critical refugee situations.

I believe that UNHCR can continue to count on the support of those of us in the Congress who have grown to respect and appreciate the significant efforts of its staff in coping with extremely difficult and often dangerous humanitarian disasters around the world. We hope that we will continue to have the excellent relationship that we have come to enjoy over the past 44 years.

BENJAMIN A. GILMAN

Money isn't everything

In recent years, UNHCR has gained much experience and achieved a high level of preparedness in dealing with refugee emergencies. Along with its growing reputation as a "can-do" agency in emergency situations, UNHCR has also been able to gain the confidence of donors in funding difficult operations from Bosnia to Burundi. But sometimes, all of this experience, preparedness and money are simply not enough to save lives and protect refugees.

While a traditional emergency response — funded by donor cash and using NGO and U.N. agency expertise — is the norm, UNHCR has in very exceptional circumstances had to turn to the military and civil defense arms of donor governments for massive, in-kind help in the face of overwhelming, life-threatening situations.

And should such an exceptional response again be required in the future, UNHCR continues to refine this "service package" concept in which donor governments would be called upon to deploy urgently needed equipment and personnel in a timely and efficient fashion.

"We have developed a whole range of emergency responses which, together with the resources and capabilities of non-governmental organizations (NGOs), have enabled us to cope with a wide range of emergencies," said Janet Lim, chief of UNHCR's Emergency Preparedness and Response Section. "However, this capacity is not *ad infinitum*. You never know when the day will come when the magnitude of the crisis is so overwhelming that this range of capacities will not be enough to cope."

UNHCR first requested donors to provide self-contained service packages in July 1994, when more than 1.2 million Rwandan refugees flood-

ed into Zaire's inhospitable Goma region over a four-day period. In south-western Rwanda, meanwhile, hundreds of thousands more refugees were heading toward Bukavu, also in Zaire, south of Goma.

The exodus into Zaire — the largest and fastest refugee movement ever seen — came while UNHCR was either preparing for or already dealing with other Rwandan refugee movements in Tanzania, Burundi and elsewhere. In late April, for ex-

It was
a valiant effort indeed,
but
it wasn't enough.
One million people
had converged
on an area
where there was
nothing
but hard volcanic
rock.

ample, more than 200,000 Rwandans swept into Tanzania in a 24-hour period. Thousands more were continuing to stream into Tanzania and neighboring Burundi when the Goma influx occurred some three months later.

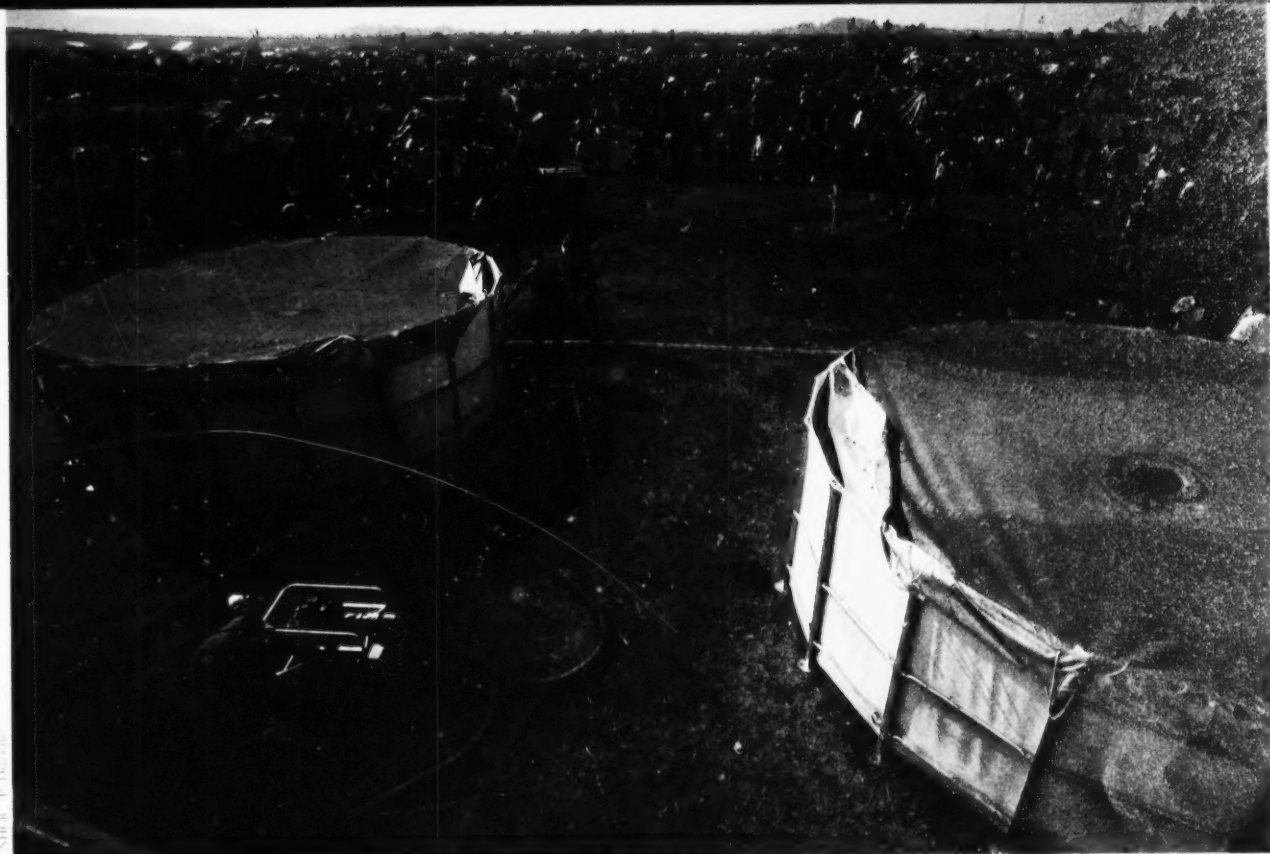
For the Goma operation, UNHCR asked governments to consider providing help with eight individual service packages, including airport management, airport and local logistics services, provision of fuel,

water and sanitation facilities, and preparation of refugee camp sites and roads. Among those who responded were the United States, Germany, Canada, the United Kingdom, Israel, Ireland, France, The Netherlands, Algeria, Sweden and Japan. Many other countries provided in-kind contributions.

"What happened in Goma was so large an influx, so rapid, so catastrophic that UNHCR made a very clear appeal to donors to supplement its response capacity, and that of NGOs," said Filippo Grandi, UNHCR's senior emergency officer who headed the Goma operation.

Grandi noted that the various components of the service packages did not arrive in Goma immediately, and that the few U.N. agencies and NGOs already on the ground "worked miracles" in the face of impossible odds. "The achievements of the NGOs were absolutely remarkable," he said. "For example, Médecins Sans Frontières staff set up clinics right in the middle of all the chaos and cholera and worked day and night for days on end. OXFAM staff set up water installations which saved thousands of lives. Local NGOs formed teams to pick up the thousands of bodies and take them for burial."

It was a valiant effort indeed, but it was not enough. More than a million people had converged on a remote area where the only thing in abundance was volcanic rock. Starting almost totally from scratch, UNHCR had to find immediately scores of water tankers, trucks, bulldozers, and earth movers. In other, more accessible areas, it might have been able to hire many of these things locally to set up a camp and organize the delivery of services. But not here. Even with all the funding in the world, it was impossible to meet



A French-supplied water system at Mugunga Camp, near Goma.

the immediate needs of 1.2 million people — equivalent to the entire population of Liverpool, Marseilles or Portland, Oregon — with no infrastructure in place to support them.

Water tankers were a top priority in the service package formulation for Goma. Tens of thousands of refugees were dying of dehydration, dysentery and cholera on arrival in Zaire. The provision of clean water would make the difference between life and death. But half the refugee population — some 500,000 people — were in places where water systems could not be built immediately.

"If you could conveniently place the people where you can distribute food and water easily, you diminish risks and you improve access," said Grandi. "But that was not the case here. People were everywhere. People think that the only life-saving things are food and medicine. But there are many others things which are just as important. These service packages are all basic needs."

Grandi said the swift deployment of bulldozers and earth movers could have saved more lives. Initially,

a few military bulldozers were secured and flown in from the United States. Later, more equipment — funded by USAID for the British NGO Action Aid — was flown in on U.S. Air Force planes in what Grandi describes as a "mixed package."

The Goma airlift, coordinated in part by the UNHCR Sarajevo airlift cell in Geneva, was "very impressive," Grandi said. Despite the chaos and confusion on the ground, as many as 40 flights a day from around the world brought relief supplies into the small Goma airfield. "We had a lot of information-flow problems, a lot of logistical problems on the ground, but the flights never stopped coming. Without the airlift, we could not have distributed food and medicine immediately," said Grandi.

Grandi said the Swedish Rescue Agency, the civil defense arm of the Swedish government, did a good job laying out Goma's Kahindo camp. The Irish government sent a few dozen military people in civilian clothes who did an outstanding job in organizing warehouses and convoys, securing clearance from the ►

UNHCR's proposed service packages

• Air operations

Air operations cell

Set up a planning and operations cell either in Geneva or other designated location to schedule, monitor, advise, plan control and analyze airlift support activities.

Strategic airlift

Provide long-haul airlift to deliver between 200 and 400 metric tons of cargo per day and transport personnel to crisis area in self-contained aircraft operations; maintain communications with flight agencies and function independently of all other airlift operations in the area in coordination with the UNHCR airlift cell.

Theater airlift

Provide short-haul airlift to deliver humanitarian cargo and transport personnel in coordination with UNHCR regional air logistics cell.

Airport ground handling services

Provide manpower and support equipment to load and unload 200 to 400 metric tons of cargo and up to 300 passengers daily.

• Logistics

Warehousing and storekeeping

Provide a self-contained warehousing and storekeeping operation for food and non-food items for 250,000 beneficiaries.

Road transport

Provide a fleet of trucks for food and non-food cargo to supply a relief operation for 250,000 beneficiaries, including service and maintenance facility.

• Health

Field Hospital

Provide a 100-bed facility to serve a population of 100,000; capable of operating for three months to ease the impact on local health structures.

• Engineering

Site preparation/site development

Develop virgin sites into safe refugee camps for 100,000 people.

Road construction

Survey, plan and construct new all-weather roads, river crossings, pontoon bridges and culverts; maintain and strengthen existing ones.

• Water supply

(Water packages are for modules of 10,000 beneficiaries at a minimum survival allocation of 7 liters per person per day. It is likely that several modules would be required at once.)

Hydro-geological survey

Locate adequate water sources and plan their development in shortest time and most cost-effective way possible.

Water tanker operation

Develop facilities for the extraction, including treatment and storage, of water and transport to storage and distribution facilities.

Surface water

Identify, extract, treat, store and distribute suitable water to meet communal needs in the most cost-effective way.

Borehole drilling

Provide a supply from ground water sources to meet communal needs.

Water treatment

Improve the quality of available water.

Water distribution

Provide the necessary input and equipment to design, construct and maintain an adequate water distribution system.

Water storage

Provide enough storage capacity for refugees and meet communal needs.

• Sanitation

Latrine construction

Provide swiftly basic facilities for hygienic disposal of human feces.

Vector control

Organize and equip spraying teams to reduce health risks.

Solid waste management

Identify suitable methods and sites for the disposal of garbage.

Waste water system

Design and construct drainage facilities and any treatment works.

► airport and moving supplies between camps.

The French forces, who were already in Goma for their humanitarian intervention inside Rwanda, supplied facilities whenever requested. They did things nobody wanted to do, said Grandi. "For many days, they were almost alone burying the bodies. We had tens of thousands of deaths. There were an incredible number of bodies to bury. It is a terrible thing, but at one stage, our main worry was that we didn't have the digging capacity to bury all those bodies in a hygienic way."

Working quietly but effectively, the French also provided water in the most critical phase, helped distribute food and filled in activities which the relief agencies could not cover.

Grandi said coordination was the key to the efficient implementation of the service packages in Goma. Government ministers and generals from some of the world's most powerful armies attended meetings called by UNHCR to work out with relief organizations strategies for the delivery of assistance.

The swift response by donor governments helped ease the suffering in Goma tremendously, but the experience also showed a need to improve the service package arrangements. Said Lim: "There was no prior understanding with governments on what it was that we needed. There was a need for a clarification of terminology. There were no procedures established. We were just responding."

In early 1995, a task force headed by the Department of Humanitarian Affairs was established under the Interagency Standing Committee to develop a common framework to ensure the most effective exceptional use of donor governments' military and civil defense assets.

Operating guidelines issued by the task force emphasize that:

- the decision to request and accept the assets must be made by humanitarian organizations, not political authorities, and be based solely on humanitarian criteria;
- the assets should be requested only where there are no compara-

ble civilian alternatives and when there is a critical need;

- the humanitarian operation using the assets must retain its civilian nature and character;
- countries providing the resources should ensure that they respect the code of conduct and principles of the requesting humanitarian organization;
- the large-scale involvement of military personnel in the direct delivery of humanitarian assistance should be avoided, particularly for victims of conflict or political actions.

The guidelines seek to ease concerns of NGOs and other relief organizations that the deployment of donor assets may compromise the neutrality and impartiality of humanitarian missions. Over the years, NGOs have developed with UNHCR an efficient and effective capacity to handle emergencies. Some of the NGOs have acquired a degree of expertise in areas specified by UNHCR and the development of the service packages has caused apprehension among them.

"I think these concerns have very largely been allayed by our explanations of what we are doing," said Nicholas Morris, director of UNHCR's Division of Programs and Operational Support. He stressed that humanitarian recourse to donor governments' military resources would be a "last resort" and only in "unique" situations.

"Some people thought that the most difficult and challenging crises now had this new magic solution of using the military. That's not the case," said Morris. "We recognize that there are certain things that may be only the military can do, whether it is on mountaintops in northern Iraq/south-eastern Turkey or the airlift into Sarajevo, provided the circumstances are appropriate for such military support. But what we are also trying to do is limit the need for recourse to the military by increasing our own capacity and that of our NGO and other traditional partners."

When an exceptional situation calls for the introduction of military

assets, the relief operation will work not just with one country but with a group of different providers to preserve its multilateral character and avoid the risk of compromising the humanitarian assistance. For example, while the United States has the strategic capacity for a major airlift, a coalition of countries, in fact, has operated in such areas as the former Yugoslavia, eastern Zaire and in northern Iraq/south-eastern Turkey.

Several meetings have been held over the past year with about 20 potential participants who have been requested to identify specific packages they may be able to provide and then work out technical specifications with UNHCR.

The aim is to develop the packages in sufficient detail so that what is needed is clearly spelled out, while leaving specifications broad enough to have a good chance of meeting different situations. When exceptional circumstances call for the use of service packages, UNHCR would expect them to be fully fund-

**"Some people thought that the most difficult
and challenging crises now had
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ed by the contributing government over and above normal contributions.

"One important objective is that if we do need to identify a situation where our capacity cannot cope, that the assistance we request is clearly understood and well specified. That is to say that if there is a response that will be determined by a clear understanding and, to the extent possible, advance agreement on the specifications," Morris said.

"So that if we asked for that particular sort of assistance for the water sector, the potential providers know what we are asking as they determine all the political and funding considerations, parliamentary

authority and all the other obvious steps that need to be taken to respond," he said. "We cannot press a button and be sure that any government will respond positively. What we are trying to do is to make sure that they have the necessary elements — what's really needed — for a swift decision."

UNHCR has gone a long way in preparing itself to meet emergencies. But the work is never done, as the Goma experience showed. "Saving lives means pushing ever further the limits of preparedness," said Lim. There is no price tag on this, she said, and UNHCR is exploring all appropriate options.

FERNANDO DEL MUNDO

The origins of Delphi

Eyebrows were raised in 1972 when UNHCR's total annual expenditures jumped from \$9.4 million to \$24 million in the space of a single year. Twenty years later, another budgetary quantum leap occurred. This time, it took two years for expenditures to double, but the sums involved revealed an organization that had entered a totally different financial league. In 1990, the total annual expenditure was \$544 million. By 1992, it had soared to \$1.07 billion, mainly as a result of a succession of huge displacements caused by wars in Iraq, Somalia, the Caucasus, Croatia and Bosnia-Herzegovina. By 1995, with Rwanda added to the list of colossal disasters, the budget stood at around the \$1.3 billion mark. The number of UNHCR staff and field offices have also more or less doubled since 1990.

In the business world, such rapid growth in the middle of a world recession would be a triumph. In the humanitarian world, it is a stark reflection of the mayhem that has occurred since the end of the Cold War, and as such is a cause for deep concern rather than celebration. It has also put a huge burden on UNHCR's administrative and financial systems.

With such large sums of money involved, the agency's performance is coming under increasingly close and critical scrutiny. So far, it has

managed to scramble from one massive emergency to the next without coming seriously unstuck. Nevertheless, UNHCR itself recognizes that it cannot afford to be complacent, and that it needs to plan for the future if it is to maintain high standards of efficiency. As a result, it has embarked on wide-ranging, radical review of its entire *modus operandi* — a process code-named Project Delphi.

"Any organization — intergovernmental, governmental or private — would be placed under strain by

external auditing and evaluation bodies that aim to expose any wastage, incompetence or corruption (see box).

Problems still occur, despite the exhaustive operational rules and systems — designed to prevent things going awry — and the different layers of oversight mechanisms — designed to spot things that have gone awry and recommend improvements. That is true of any organization of comparable size, in both the public and private sectors. Whether the problems are acceptable or not

With such large sums of money involved, UNHCR's performance is coming under increasingly close scrutiny.

such rapid growth," said Jean-Marie Fakhouri, UNHCR's Controller. Unlike a private company, UNHCR's performance cannot, of course, be measured by profits or increased turnover. "Our credibility and ability to attract funds depend on confidence, which depends on two things," said Fakhouri: "the way we conduct our operations, and accountability. In other words, we have to provide value for money and be seen to do so. The donors have been good to us over the past few years. They have to justify their funding of UNHCR to their taxpayers. Similarly, we have to justify the confidence they have placed in us. We cannot, and do not, take that confidence for granted."

A number of checks and balances are geared to ensuring that UNHCR spends its money wisely. They operate at different levels, within and beyond the agency, and at different stages. They range from the regulations that govern all aspects of UNHCR's current and planned operations, to the delivery and tracking systems, and the various internal and

is a question of frequency and scale.

Much depends on the quality of staff: not only UNHCR personnel, but also those working for its implementing partners — i.e. governments and non-governmental agencies (NGOs). Against a background of a succession of massive emergencies taking place in extremely difficult operating environments, finding enough qualified and experienced staff (while, in UNHCR's case, simultaneously maintaining the geographical and gender balance to which the U.N. is committed) has been one of the biggest difficulties. With such large amounts of money involved, and speed essential, it only takes one ingenious crook to pull off a fraud or one incompetent or chronically understaffed manager to produce serious wastage. Both will be discovered sooner or later by UNHCR itself or by the auditors, but in the meantime they may have inflicted considerable damage.

"Fraud is not acceptable," Fakhouri said. "Even minor fraud is theft from our own limited budgets, and from the refugees who depend

• **UNHCR expenditure** In US\$ millions

1982	407	1985	458
1990	544	1995*	1,300

* Projected

• **UNHCR offices around the world**

1982	99	1985	122
1990	151	1995	284

• **UNHCR staff around the world**

1982	1,566	1985	1,786
1990	2,484	1995	5,384

on us for protection and help. Fortunately, in recent years, given the rapidity of growth, number of staff, and the temptations that exist, incidents of fraud and mismanagement have been fairly limited. But we must remain vigilant, and constantly search for improved methods of minimizing the risks."

UNHCR has to strike a particularly delicate balance between remaining flexible enough to respond quickly to huge and unpredictable emergencies and maintaining a tight grip on the financial reins. This is not a problem that faces most companies or ministries of similar size. Too much elasticity and corner-cutting can lead to serious waste and fraud. Too much red tape designed to maximize financial and administrative control can lead to a sluggish, bureaucratic response which, in a major emergency, can cost lives. If the pendulum swings slightly too far in either direction, UNHCR expects — and receives — little sympathy.

There are a number of similar tensions: UNHCR is committed to treating the NGOs with whom it works — who number some 500 in all and account for approximately 50 percent of its expenditure — as partners. Yet at the same time, it is responsible for monitoring NGOs' performance, which means exercising close control. Recent criticisms of UNHCR operations by the various auditors and overseers have tended to focus on UNHCR's monitoring of its financial arrangements with its implementing partners — both NGOs and governments. The importance of building up the capacity of local NGOs is widely accepted. At the same time, it is easier and safer to rely on tried and trusted international NGOs, with their own highly developed administrative and financial tracking systems. The different aims are not easily reconciled.

In a recent speech to UNHCR's Executive Committee, High Commissioner Sadako Ogata made it clear that she intends to make UNHCR "a slimmer, trimmer organization." Recognizing the strains caused by the

The Watchdogs

Internal UNHCR systems include the following:

- **Exhaustive rules** governing allocation of funds (for staffing, projects, equipment etc). All UNHCR rules must be in accordance with general U.N. rules.
- **Contracts Committee:** all substantive purchases require at least three competing tenders. Bids for contracts exceeding \$70,000 (rising to \$100,000 as of 1 Jan. 1996) are examined by a Contracts Committee.
- **Stringent reporting requirements:** every financial commitment and payment has to be authorized and documented.
- **Built-in monitoring** of projects carried out by implementing partners.
- **A recently-formed Inspection and Evaluation Service** (which can inspect and evaluate any aspect of any operation both at headquarters and in the field and reports directly to the High Commissioner).

Internal U.N. systems:

- **The Audit and Management Control Division (AMCD):** a Geneva-based section of the central U.N.'s Office of Internal Oversight Services (OIOS), which acts as UNHCR's permanent auditing body. It has been increased in size to match UNHCR's growth and conducts detailed audits at headquarters and in field offices. If UNHCR suspects something is amiss, it directs the AMCD towards it.
- **The OIOS itself,** run by Under-Secretary-General Karl Paschke, has extensive powers of oversight.

External systems of governance and oversight:

- **Donor governments** have the right to conduct on-the-spot checks of programs which they are funding.
- **The Board of Auditors:** an auditing body, drawn from three different governments (currently India, the United Kingdom and Ghana), appointed by the General Assembly. Each year, they spend several months examining UNHCR financial and management records in headquarters and the field. They can go anywhere they choose. The Board of Auditors also follows up on clues gleaned from the internal auditors' reports. In their annual report to the General Assembly, the Board makes comments and recommendations, to which UNHCR is obliged to respond.
- **UNHCR's Executive Committee (EXCOM),** which currently comprises 50 states, oversees UNHCR's general policies and use of funds. Each year, UNHCR reports directly and at length to EXCOM.
- **The General Assembly's Advisory Committee on Administrative and Budgetary Questions (ACABQ)** examines the Board of Auditors' reports as well as UNHCR's budgets and administrative and financial reports.
- **The General Assembly's Fifth Committee,** which oversees all administrative and budgetary matters within the U.N., considers the reports of the Board of Auditors and of the ACABQ.

rapid growth that has occurred since she took office in January 1991, and keen to take preemptive measures to deal with incipient or recognized problems, she said, "We must restructure the way in which we work, so as to improve our delivery, accountability and performance and build the capacity to contract and expand in response to operational demands."

It is against this backdrop that UNHCR has embarked on what may turn out to be the most fundamental and wide-ranging review of its own methods of operation in its entire history, employing both internal and

external "change management" expertise. Project Delphi, as it is known, was set up in October 1995. By December it was fully operational. In the spring of 1996, after close examination of UNHCR processes, it will deliver its first report and set of options for change to the High Commissioner.

"There is a commitment to change this organization," said Eakhouri, who helped set up Project Delphi. "We're reviewing all our processes, the way we work, the way we think, so that we're equipped to enter the 21st century."

ROBERT COVILLE

Graça Sabine Machel

awarded 1995 Nansen Medal

Mozambican humanitarian Graça Sabine Machel was awarded the 1995 Nansen Medal for her outstanding contributions on behalf of refugee children.

High Commissioner for Refugees Sadako Ogata presented the award, the 35th since 1955, to Machel at a ceremony on 20 October in Geneva.

"No country better reflects the hope of peace and reconciliation, nor the arduous task of reconstruction and rehabilitation, than Mozambique, where over 1.5 million refugees have returned home recently," Ogata said, in presenting the award. "No woman better symbolizes the courage and commitment to rebuilding the war-torn society to which the refugees have returned than Graça Sabine Machel."

Ogata noted that Machel was only the second African woman to receive the award since it began in 1955.

Machel, an activist and humanitarian since her student days in Portugal, was involved in Mozambique's liberation movement and, at the age of 29, was appointed state secretary for education in the post-independence government. She was the only woman in the Cabinet, and held the education portfolio until 1989. In 1975, she married Samora Machel, the first president of Mozambique.

Since her husband's death in a plane crash in October 1986, Machel has worked tirelessly for the development of Mozambique, overseeing efforts to provide universal education for all children and promoting peace and reconciliation in her war-torn homeland.

She is currently chairper-

son of an unprecedented United Nations study on the impact of armed conflict on children. The study, aimed at finding effective measures for the promotion and protection of the rights of child victims of armed conflict, is providing new insights into the plight of refugee children.

"For children, the deepest scars of war and flight are the hidden ones," Machel said in her acceptance speech. "Childhood years that can never be recaptured; the chance of education and full development lost in the struggle for survival in a refu-

gee camp or settlement, now gone forever; the experience of dangers endured during flight, of rape or torture or forced conscription, cutting deep into the psyche of children."

The Nansen Medal is named after Norwegian diplomat and explorer Fridtjof Nansen, the first High Commissioner for Refugees under the League of Nations. It was created to focus attention on refugees and to give new impetus to the need for international support for the uprooted.

The Nansen Committee, which is chaired by the High Commissioner, is composed of members designated by the governments of Norway and Switzerland, and of representatives from the Council of Europe and the International Council of Voluntary Agencies. ■



UNHCR / A. HEDMAN

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HOW DOES IT FEEL?

Imagine this.

You've lived all your life at peace. Home, family, friends, all normal. Then, without warning, your whole world changes.

Overnight, lifelong neighbours become lifelong enemies. Tanks prowl the streets and buses burn. Mortar shells shatter the mosques. Rockets silence the church bells.

Suddenly everything you've known and owned and loved is gone and, if you're lucky enough to survive, you find yourself alone and bewildered in a foreign land. You are a refugee.

How does it feel?

The fact is, refugees are just like you and me, except that they have nothing. And that's exactly what they'll always have unless we help.

We're not asking for money (though every contribution helps), but only this:

When you do meet a refugee, imagine

for a moment what it must be like, and then show her your smile. Instead of your back.

It may not seem much. But to a refugee it can mean everything.

UNHCR is a strictly humanitarian organization funded only by voluntary contributions. Currently it is responsible for more than 27 million refugees around the world.



UNHCR

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